

Washington, DC -- On Wednesday, Congressman Joe Sestak (PA-7) supported legislation that passed in the House that saves a vital housing program for seniors. The bill temporarily waives the cap on federally insured reverse mortgages, which enable homeowners to tap the equity in their house. A reverse mortgage is a unique loan that enables senior homeowners to stay in their homes and remain financially independent by converting part of the equity without having to sell the home, give up title or take on a new monthly mortgage payment.

"I'm pleased that this bipartisan legislation, which helps ensure seniors' retirement security, passed the House today and I urge the Senate to follow suit," noted Joe. "This bill helps seniors in my district who may be 'cash poor' but 'equity rich,' so that they may convert part of the equity in their homes to tax-free income without having to sell their homes, give up title or take on a new monthly mortgage. Many seniors in my district have also taken advantage of reverse mortgages to pay for health care and assisted-living facilities and in some cases to help pay for the cost of their grandchildren's education."

Additionally, on Friday, January 12, Joe cosponsored and voted for legislation to require the government to negotiate for lower drug prices for American seniors and people with disabilities in the Medicare program. The Medicare Prescription Drug Negotiation Act of 2007, H.R. 4, will help seniors get better prices on prescription medications under Medicare. The provision in the current Medicare Rx Drug law which explicitly forbids the Department of Health and Human Services from conducting such cost-reducing negotiations will be repealed. The Democratic bill will require—not just authorizes—the Secretary for Health and Human Services to negotiate with pharmaceutical manufacturers.

"The Administration and previous Congressional leadership chose to outsource all prescription drug coverage to private plans resulting in an unnecessarily complex and expensive program," noted Joe. "While this has resulted in record profits for big drug companies, seniors in my district are stuck paying higher drug prices. That's why today I am pleased to have cosponsored and voted for bipartisan legislation to require the Secretary of Health and Human Services to negotiate with drug companies for lower drug prices – a proven tactic by the Veterans Administration as a means to cut costs. But there is more to work on for changes in this area for further savings as we move forward."

*Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "DeepBlue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on*

*Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever to serve in the U.S. House of Representatives.*

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